

News story: Scottish economy returning to growth

Responding to the Scottish GDP figures published today, which show 0.8 per cent growth in the Scottish Economy in 2017's first quarter, the Secretary of State for Scotland, David Mundell said:

These are very encouraging figures. The Scottish economy is returning to growth and I am pleased to see that the manufacturing sector in particular is making the most of export opportunities.

But, over the year, Scotland has continued to lag behind the UK as a whole – so there is still a lot of work to do.

The Scottish Government has extensive powers at their disposal to grow and support the economy and these figures underline the need for our two governments to work together as we prepare to leave the EU.

Brexit will bring new opportunities. We need to ensure Scottish business can take full advantage.

The UK Government is taking concerted action to build a strong economy across all parts of the UK. This includes work on our modern Industrial Strategy, City Deals and supporting businesses beyond the UK market to reach markets around the world through our global network of embassy-based trade experts.

The Scottish Government have the powers to support the country's economy, including powers over economic development, taxation, skills, as well as additional borrowing powers to allow them to invest where Scotland needs it.

The Scottish Government should be using these to grow the economy alongside the UK, rather than creating huge business uncertainty with the threat of another independence referendum.

Over the past year the UK Government has added over £1 billion to the Scottish Government's Budget through extra Barnett consequential. There was an extra £820m in the 2016 Autumn Statement and a further £350m in the 2017 Spring Budget.

The Department for International Trade (DIT) is working to promote shared UK prosperity by financing international trade and investment, and championing free trade across the world.

DIT has worked with Scottish Development International and Highlands & Islands Enterprise on two Exporting is Great tours of Scotland. We will continue to work together helping companies to potentially expand from London into Scotland and across the United Kingdom.

In 2015/16 Scotland benefitted from 108 new Foreign Direct Investment projects, creating 4,178 jobs.

The UK Government has loaned start-up companies in Scotland millions to help businesses.